



Reunion Gold Enters into a Definitive Agreement to Sell its Matthews Ridge Manganese Project

Longueuil, Canada, November 4, 2016. Reunion Gold Corporation (TSX-V: RGD) ("Reunion") is pleased to announce that it has entered into an agreement dated November 4, 2016 to sell all of its rights, title and interest in the Matthews Ridge manganese project to Bosai Minerals Group Co., Ltd. ("Bosai"), an arm's length Chinese corporation. Under the terms of the agreement, Bosai will pay to Reunion a total amount of US\$10 million of which US\$5 million is payable at closing and US\$5 million is to be paid at the rate of US\$2.00 per tonne of manganese concentrate or ore shipped from Matthews Ridge once it enters into production.

Pursuant to the agreement, Reunion agreed to transfer to Bosai the four prospecting licences (which make up the Matthews Ridge project), the March 2011 Mineral Agreement between Reunion, the Co-Operative Republic of Guyana and the Guyana Geology & Mines Commission ("GGMC"), and capital assets located at Matthews Ridge.

The closing of the sale of the Matthews Ridge project is subject to having obtained all required regulatory, shareholders and government approvals and consents, including the approval of the TSX Venture Exchange ("TSXV") and the consent of the GGMC and the government of the Co-Operative Republic of Guyana. All such approvals and consents are expected to occur over the next few weeks.

Reunion intends to continue to focus its exploration in the Guiana Shield of South America, and more specifically on early-stage gold projects. To that effect, Reunion announced yesterday that it had entered into a non-binding letter of intent with Union Minière de Saül ("UMS"), an arm's length private company, pursuant to which UMS would grant to Reunion an option to acquire an 80% interest in the Haute Mana gold project in French Guiana, South America. Reunion would be entitled to exercise the option by completing a preliminary economic assessment on the project within a period of five years. Reunion expects to enter into a definitive option agreement with UMS over the next few weeks. The transaction will be subject to usual conditions and requisite regulatory approvals including the approval of the TSXV.

This news release may contain certain forward-looking statements. Such statements are subject to a number of risks, uncertainties and assumptions. Specifically, the transaction with Bosai is subject to obtaining all required approvals. The transaction with UMS is subject to the parties executing a binding option agreement and obtaining all regulatory approvals. There can be no guarantee that all necessary approvals will be received, in a timely manner or at all and that the two transactions will be completed. Actual results and events may vary.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Information about Reunion is available on SEDAR (www.sedar.com) and its website (www.reuniongold.com).

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